GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1507
ANSWERED ON:07.03.2001
LACK OF MARKETING INSTUTIOINS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the farmers of various States, particularly of Bihar are compelled to sell their products to merchants at low price, due to lack of Marketing Institutions;

(b) if so, the corrective steps taken/proposed to be taken by the Government to provide remunerative prices to these farmers for their products and also to strengthen Rural Agriculture Market System in the States; and

(c) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD Y. NAIK)

(a)to(c): Under the present policy, Government procures foodgrains conforming to Fair Average Quality (FAQ) specifications through Food Corporation of India (FCI) and State Government Agencies under price support operations. The farmers have the option to sell their produce to FCI/State Agencies at support prices, or in the open market, as is advantageous to them. All complaints relating to distress sale are taken up immediately with FCI and State Governments.

In order to avoid distress sale by the farmers below support price FCI/State Agencies have opened the following purchase centres during the last two years:-

Year	Rabi Season	Kharif Season
1999-2000	8276	5937
2000-2001	8110	6599

In regard to Bihar, the procurement of paddy is being done by FCI and Primary Agricultural Marketing Societies of the State (PACS) which are around 512 in number. Initially there were 16 purchase centers operated by FCI, which were subsequently increased to 40 with effect from 27-12-2000 on the request of State Government. These centers have procured 6725 MTs as on 28-2-2001 as compared to 3720 MTs as procured during the corresponding period last year.

The primary responsibility for strengthening, upgrading and expanding agricultural marketing faciliities in the States and UTs vests with the State Governments and UT Administration and the Agricultural Produce Market Committees, which have been established under the respective State Agricultural Marketing Regulation Acts. However, the Directorate of Marketing and Inspection (DMI), an attached office of this Ministry, has been taking various steps for bringing about an integrated development of marketing of agricultural produce in the country. The main activities of DMI relates to promotion of standardization and grading of agricultural produce, marketing research, survey and planning, and provision of training facilities for employees of State Governments and UT Administrations on regulation and management of Agricultural Produce Markets. Recently, a Central Sector Scheme for Agricultural Marketing Information Network has been approved for establishing a nation-wide network for speedy collection and dissemination of market information/data for their efficient and timely utilization. Under this scheme, the important Agricultural Produce Markets and State Agricultural Marketing Boards/Departments in the country will be linked up through a computer network. The scheme would inter alia, help the farmers to realize better prices for their produce.